

IMMEDIATE RELEASE
May 11, 2005

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Istook Applauds Local Company for Tax Credit Award, Investment in OKC Empowerment Zone

Washington, DC – Millions of dollars in new investments will soon flow into under-developed areas of Oklahoma City, thanks to special federal tax credits announced today.

Up to \$34 million in equity investments will qualify for tax credits under the New Markets Tax Credit program, in and around downtown Oklahoma City, primarily in the OKC Empowerment Zone. The packaging of qualifying investments will be by a limited partnership, **New Markets Redevelopment, LP**, headed by **Charles Wiggin**. The announcement was made today by the U.S. Treasury Department who awarded 41 organizations with the tax credits from among over 200 competing applications.

“These tax credits will attract much-needed capital to help redevelop Oklahoma City’s most underserved areas,” said Istook. **“They will stimulate some very significant investments in areas which qualify for the tax credits, and I know that’s what this group intends. This is great news for Oklahoma City’s Empowerment Zone. The competition for these grants was intense, and I congratulate Mr. Wiggin on his success and look forward to the good things this will make possible.”**

The New Markets Tax Credit Program (NMTC) allows investors in designated companies to receive credits against their federal income tax liability for making qualified investments in underserved communities. Through the NMTC program, investors in **New Markets Redevelopment, LP** will be able to claim 39% of their investments in designated communities as a credit against their federal income tax (up to \$13 million in tax credits over a seven-year period).

“We are anxious to put these dollars to work, and there are plenty of places to use them,” said Wiggin. **“This allows us to jumpstart projects that would not work otherwise.”**

New Markets Redevelopment has indicated their intent to provide millions in loans and equity investments for real estate construction and redevelopment projects in high-distress areas of Oklahoma City (primarily in the City’s Empowerment Zone). Projects will include office space, health care facilities, retail and mixed-use buildings, for-sale housing, and hotels. The NMTC allocation will enable the company to offer new products with flexible and nontraditional terms, including soft equity, low interest rates and longer than standard periods of interest-only loan payments.

Last October, Istook, a supporter of the OKC Empowerment Zone, succeeded in getting Congress to approve legislative language that expanded the parts of Oklahoma City that are eligible for the New Market Tax Credits, so that they now include parts of downtown and the medical complex that had been excluded by a technicality.